

HOUSE BILL REPORT

HB 2925

As Reported by House Committee On:

Health Care
Appropriations

Title: An act relating to assisted living facility medicaid minimum occupancy percentage of fifty percent or greater.

Brief Description: Concerning assisted living facility medicaid minimum occupancy of fifty percent or greater.

Sponsors: Representatives Santos, Morrell, Bailey, Cody, Hinkle, Pettigrew, Linville and Schual-Berke.

Brief History:

Committee Activity:

Health Care: 1/27/06, 1/31/06 [DP];
Appropriations: 2/3/06, 2/4/06 [DPS].

Brief Summary of Substitute Bill

- The Department of Social and Health Services is required to establish a capital add-on rate for assisted living facilities that have a Medicaid minimum occupancy percentage of 60 percent or greater.

HOUSE COMMITTEE ON HEALTH CARE

Majority Report: Do pass. Signed by 14 members: Representatives Cody, Chair; Campbell, Vice Chair; Morrell, Vice Chair; Hinkle, Ranking Minority Member; Curtis, Assistant Ranking Minority Member; Alexander, Appleton, Bailey, Clibborn, Condotta, Green, Lantz, Moeller and Schual-Berke.

Staff: Dave Knutson (786-7146).

Background:

The Department of Social and Health Services (Department) pays assisted living facilities a daily rate. The Department also pays a capital add-on rate to facilities that meet construction requirements specified in the Washington Administrative Code and serves a minimum number of Medicaid clients. The formula for determining eligibility for the capital add-on rate is contingent on the total amount budgeted for this purpose and is adjusted twice annually.

Summary of Bill:

The Department of Social and Health Services is required to establish a capital add-on rate for assisted living facilities that have a medicaid minimum occupancy percentage of 50 percent or greater.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: The operating budget for The Cannon House was based on a sufficient capital add-on rate. The high number of Medicaid clients make this add-on rate critical.

Testimony Against: None.

Persons Testifying: Representative Tomiko-Santos, prime sponsor; Jonathan Eames, Washington Health Care Association; and Lynn French, The Cannon House.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 23 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Alexander, Ranking Minority Member; Anderson, Assistant Ranking Minority Member; McDonald, Assistant Ranking Minority Member; Buri, Cody, Conway, Darneille, Dunshee, Grant, Haigh, Hunter, Kagi, Kenney, Kessler, Linville, McDermott, Miloscia, Pearson, Schual-Berke, P. Sullivan and Walsh.

Minority Report: Do not pass. Signed by 7 members: Representatives Armstrong, Bailey, Chandler, Clements, Hinkle, Priest and Talcott.

Staff: Bernard Dean (786-7130).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Health Care:

The Appropriations Committee recommended establishing the Medicaid occupancy standard at 60 percent, rather than 50 percent, and specified that managed care clients be included in the calculation of Medicaid occupancy. In addition, a null and void clause was added.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed. However the bill is null and void if not funded in the budget.

Testimony For: This bill addresses the critical need to maintain access to community-based assisted living services for low income seniors in Washington. Since 1996, the state has provided additional funding for assisted living facilities through the capital add-on to encourage expansion. But in 2002, the Department of Social and Health Services proposed eliminating the rate. Fortunately, however, the Legislature established 50 percent threshold in the budget for facilities to qualify. However, not all of the facilities received the money because over time, it wasn't available. This bill would take what had been a budget note and codify it.

This really fills a broken promise by restoring the capital add-on for those facilities with 50 percent or more Medicaid clients and would help encourage people to be in home and community-based care.

Testimony Against: None.

Persons Testifying: (In support) Representative Santos, prime sponsor; and Jonathan Eames, Washington Health Care Association.

Persons Signed In To Testify But Not Testifying: None.